LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7903 NOTE PREPARED: Jan 14, 2005

BILL NUMBER: SB 597 BILL AMENDED:

SUBJECT: Common Local Permit System for Contractors.

FIRST AUTHOR: Sen. Heinold BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires all political subdivisions of a county that require contractors to register with the political subdivision as a condition of doing business in the political subdivision to establish a common registration process. It requires the common registration process to enable a contractor to register with the county of any political subdivision that requires contractors to register and to engage in the contractor's business in any location in the county by paying one fee. It also provides that each political subdivision that requires contractors to register may have separate code, work permit, and inspection requirements relating to a contractor's work.

Effective Date: July 1, 2005.

Explanation of State Expenditures:

Explanation of State Revenues:

<u>Explanation of Local Expenditures:</u> This bill allows political subdivisions to establish a common registration process for building contractors. The fiscal impact of this bill is dependent on the manner in which the registration process is implemented. Several localities already impose a licensing requirement for building contractors. This provision could require the revision of licensing forms and applications.

Explanation of Local Revenues: Several localities currently license building contractors. The bill allows a registration fee to be charged to recover the reasonable administrative and other regulatory costs.

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Background - The following table outlines some of these localities and their license fee costs.

Locality	Residential Contractor Fee Charged
Marion County	\$125 to \$250
Mishewaka	\$75
South Bend	\$75
Evansville	\$225

State Agencies Affected:

Local Agencies Affected: Political subdivisions.

<u>Information Sources:</u> www.indygov.org; www.mishawakacity.com; www.ci.south-bend.in.us; www.vanderburghgov.org;

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